Statewide Information Management Manual
(SIMM)
Volume I, Policies
Policy 3.0

PROJECT OVERSIGHT
POLICY

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TABLE OF CONTENTS

SECTION 1

POLICY STATEMENT

It is the policy of the Department of Information Technology (DOIT) that:

- Reasonable and prudent project oversight shall be performed on all information technology (IT) projects under the DOIT's purview;

- The owner of an IT project shall have primary responsibility for overseeing that project;

- The type and level of project oversight performed on an IT project shall be commensurate with, and responsive to, the unique characteristics and needs of that project;

- Project oversight shall be planned for and carried out in accordance with all applicable statutory, policy, planning, budgetary, approval and other relevant processes, conditions and requirements; and

- Project oversight plans and activities are subject to review and approval as required by the DOIT.

Initial as well as continued DOIT support for IT projects is contingent upon adherence to this project oversight policy.

This project oversight policy is effective as of November 1, 1998, and remains in effect until subsequently amended, superseded or rescinded.

1.0   PURPOSE

In accordance with statutory requirements established in Government Code through the enactment of SB 1 (Chapter 508, Statutes of 1995), the DOIT has broad responsibility for overseeing a wide array of IT activities in specified areas of California state government for the purpose of improving the state's ability to successfully apply IT to meet its business needs. Specifically, as it pertains to IT oversight in general, and to the oversight of IT projects in particular, the Government Code requires the DOIT to:

- Develop specific statewide strategies, policies, and processes, including oversight, to … improve the state's overall management of information technology projects, … (Government Code, § 11701b)

- Provide leadership, guidance and oversight of information technology in state government … (Government Code, § 11710d)

- Oversee the management of information technology in state agencies and the development and management of information technology projects … (Government Code, § 11711b)

- Monitor agency information technology projects … (Government Code, § 11712)

This section of the State Information Management Manual (SIMM) contains the oversight policy required by statute, or necessary to successfully address statutorily assigned roles and responsibilities. This policy constitutes a central component of a comprehensive statewide architecture[1] dedicated to the oversight of IT projects. As such this policy, when taken in conjunction with the other elements of the oversight architecture, forms the basis for all departmental and control agency oversight activities, and helps to ensure that the state's project implementation environment is conducive to IT project success. Included with this oversight policy are the philosophies, premises, principles and definitions upon which the policy is based.

1.1   OVERVIEW

Project oversight is one of a number of IT management functions comprised of specific actions and/or activities which, when taken as a whole, are dedicated to the common goal of substantially and sustainably increasing the probability for IT project success. Most of these IT management functions are grouped under a project management banner and address areas such as quality management, task management, resource management, configuration management, contract management and procurement management. Project oversight stands separate from these other IT management functions, however, in that it does not have the same front-line direct responsibility for the successful definition and implementation of an IT project, but rather acts in a check-and-balance capacity to the other functions. Essentially, project oversight facilitates IT project success by assessing project management and activities to help ensure that the right things are done, and that things are done right. More specifically, project oversight operates by verifying or, when and where appropriate, taking direct steps to help ensure that IT projects:

- Are structured and managed in conformance with established standards and industry best practices;

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[1] The oversight architecture also includes various plans, processes, procedures, standards and guidelines.

- Are implemented in compliance with all relevant processes, conditions and requirements;

- Progress in accordance with approved project plans; and

- Achieve defined success factors and obtain expected objectives.

In general, project oversight is most concerned that those project management actions and/or activities that reasonably can and should be done to successfully implement IT projects in California state government either have been done or will be done by the appropriate parties in the necessary time and manner.

Although project oversight is most active during an IT project's implementation phase – monitoring, evaluating and reporting on the activities, management and status of the project as well as on issues that jeopardize the project – it is also active in other lifecycle phases. For example, project oversight is concerned with the identification, assessment and prioritization of project risks and the planning and application of appropriate and responsive risk mitigation strategies in a project's planning phase. These actions help ensure that IT projects are properly defined and set-up, and therefore begin with a high potential for success. In addition, project oversight is also concerned with narrow-focused operational audits verifying successful implementation and appropriate maintenance and use in a project's production phase. These actions help ensure that production systems are operated and maintained in a manner capable of producing the benefits expected by stakeholders.

1.2   OBJECTIVES

The goal of project oversight is to increase the state's ability to successfully apply IT to meet its business needs by facilitating IT project success. Derived from and aligned with this goal are several project oversight objectives that include the ability to:

- Identify and remediate risky and potentially unsuccessful project activities and problem situations at the earliest possible time;

- Provide for intensive monitoring, evaluation and reporting on project with issues that require heightened management attention;

- Permit a timely response from the DOIT when major problems occur on an IT project; and

- Provide an efficient and effective means to share "best practices", "lessons learned" and other information on IT project management and oversight with the state's IT community.

1.3   RESPONSIBILITIES AND TASKS

1.3.1   DOIT:

The DOIT responds to expectations and requirements concerning the oversight of state IT projects through the definition, implementation and execution of a statewide IT oversight program. Every aspect of the DOIT's statewide IT oversight program is fully derived from, aligned with and responsive to all applicable legislative mandates, executive branch orders and directives, good-government business principles and industry IT management best practices pertaining to the oversight of IT projects.

Oversight Program Focus

The primary focus of the DOIT's statewide IT oversight program is the state's most significant IT projects. These IT projects are designated by the DOIT as significant due to one or more project characteristic or factor such as high costs, high business criticality (operations and/or service delivery), legislative mandates, administration policy importance (health, safety, etc), revenue generation, and/or high public profile. These significant IT projects represent for the most part those new automation activities that must succeed in order for California state government to continue with significant portions of its day-to-day business operations and the uninterrupted delivery of critical program services to the public. Failure of any one or more of these significant IT projects would have substantial consequences for the state including, but not necessarily limited to, monetary losses, service and/or service level disruptions, loss of public confidence in state government, loss of credibility by state government, failure to meet legislative mandates, missed opportunities to advance the Administration's programs and policies, and many other equally severe and/or undesirable effects.

In addition, the DOIT's statewide IT oversight program also strives to ensure that reasonable and prudent oversight is performed on all other IT projects in California state government. Failure of these other IT projects, while not resulting in the same substantial difficulties and/or losses for the state as would the failure of one or more of the significant IT projects, would still have an adverse impact on state business operations and service delivery.

Oversight Program Structure

The DOIT's statewide IT oversight program encompasses six functional areas – Architecture, Problem Avoidance, Problem Recovery, Outreach, Special Activities and Program Administration. The following articulates the DOIT's responsibilities, activities, and requirements pertinent to each of these areas.

- Architecture

  Statewide Architecture: Defining, implementing, maintaining, promoting and ensuring compliance with a statewide oversight architecture comprised of various plans, principles, policies, processes, procedures, standards and guidelines that establish and articulate the state's IT oversight program.

  This statewide architecture forms the basis (framework or blueprint) for all departmental and control agency oversight activities and helps to ensure an implementation environment that is conducive to IT project success.

  Departmental Architectures: Reviewing, evaluating, making recommendations concerning and providing limited assistance to departments in their efforts to define, implement, maintain, promote and ensure compliance with departmental IT oversight architectures.

  These actions help ensure that departmental oversight architectures are aligned with the DOIT's statewide architecture and responsive to departmental needs.

- Problem Avoidance

  Project Initiation Phase: Reviewing selected aspects of, as well as reviewing input from other sources concerning, IT project proposals to understand their unique oversight needs and verify that appropriate and necessary oversight will be applied, primarily by evaluating, making recommendations, and/or establishing requirements based upon the completeness and accuracy of the risk analysis performed on, and the responsiveness and workability of the mitigation measures applied to, the proposed projects.

  These actions help ensure that IT projects are properly structured and that all necessary project plans, resources, personnel and other critical components have been identified, created, addressed and/or obtained prior to implementation, thus increasing the project's probability for success.

  The DOIT will make oversight recommendations and/or specify oversight requirements primarily during the project initiation phase of an IT project. However, the DOIT may modify or establish new project oversight recommendations and/or requirements as it deems necessary during the course of a project. All DOIT oversight recommendations and/or requirements will remain in effect throughout the life of the project, unless subsequently modified or removed by the DOIT.

Project Implementation Phase: Monitoring, evaluating and reporting on the on-going activities, management, status and issues related to the implementation of IT projects.

These actions help ensure that IT projects are managed in a manner that conforms with established standards and industry best practices, implemented in a manner that is compliant with all relevant processes, conditions and requirements, and progress in a manner that is in accordance with approved project plans. These actions also help ensure that defined success factors are achieved and that expected objectives are obtained.

Project Production Phase: Performing narrow-focused operational audits on selected aspects of the state's IT systems to verify successful implementation and appropriate maintenance and use, and facilitating the sharing of information on best practices for the oversight of IT projects as well as the lessons learned from the actual implementation of IT projects in California state government.

These actions ensure that production systems are operated and maintained in a manner capable of producing the benefits expected by stakeholders, and that the state IT community as a whole benefits in some measure from every department's experience with their IT projects.

- Problem Recovery

  Reviewing, evaluating, recommending remedial actions for, and providing limited assistance to departments in bringing such actions to bear on, errant IT projects.

  These actions assist departments in putting the pieces of problem projects back together with the least amount of damage, or provide the state with the information it needs to successfully terminate problem projects.

- Outreach

  Performing activities to inform and educate departments about state oversight requirements and the best practices advocated and/or employed in the public and private sectors.

  These actions provide state departments with the knowledge and skills that, when thoughtfully and diligently applied, greatly enhance their ability to successfully implement IT projects.

- Special Activities

Performing other special activities as appropriate and necessary for the successful definition, implementation and execution of a statewide IT oversight function. These special activities include, but are not necessarily limited to, surveys and other related feedback instruments, compliance reviews, project status briefings, peer reviews, risk analysis and mitigation plan evaluations, point-in-time project assessments, continuing "eyes-and-ears" project presence, critical project reviews, risk tool enhancements, a lessons learned program, advisory committee support, and participation in various steering committees and task forces.

- Program Administration

  Activities related to public sector administrative and general business requirements, practices and processes such as policy formulation, budget definition, expenditure control, procurement and contract management, bill analysis, business planning, personnel management, consultant management, task/workload management, information management, work related meetings and training, reporting activities, and all other scheduled and unscheduled activities that support business requirements and processes.

Preferred Business Practices

The DOIT has adopted several preferred business practices that assist in facilitating the successful implementation of IT projects in California state government. Specifically, it is a DOIT preferred business practice to:

- Emphasize departmental ownership of IT activities and the primary responsibility that this ownership places on the departments to successfully oversee their IT activities;

- Set standards for oversight achievement, allow departments to determine how best to satisfy those standards within the confines of their organizational styles and business needs, and then provide proof of acceptable progress to the DOIT;

- Emphasize departmental self-conformance to standards, self-compliance to requirements, self-monitoring of progress and performance, and self-evaluation of products and results; and

- First be an oversight advocate by guiding, facilitating, encouraging, motivating, educating and/or otherwise assisting a department in its front-line efforts to appropriately oversee its IT activities, and then taking a more direct oversight control role only when a department's primary oversight efforts have not been, or are not anticipated to be, successful.

1.3.2   DEPARTMENT:

It is a department's responsibility to:

- Define, implement, maintain, promote and ensure compliance with a departmental oversight architecture that is aligned with the DOIT's statewide oversight architecture and responsive to organizational oversight needs in areas such as risk analysis, mitigation planning,, activities monitoring, management evaluation, performance analysis, status reporting and issue escalation.

- Provide primary oversight on all IT projects owned and/or managed by the department. The DOIT fully expects department's to take every reasonable and prudent measure that is appropriate and necessary to successfully oversee their IT projects. The DOIT also fully expects departmental oversight efforts to substantially and sustainably increase the probability of successful IT project implementations. Departmental oversight activities will begin during an IT project's planning phase, and will continue uninterrupted until a post implementation evaluation report (PIER) for the IT project has been accepted by the appropriate departmental authority and/or the DOIT.

- Immediately notify the DOIT whenever the success of a reportable departmental IT project is in jeopardy or likely to be placed in jeopardy. In addition, although the DOIT does not normally require routine detailed reporting on IT projects initiated under a department's delegated authority, departments must also inform the DOIT whenever such a project is in jeopardy or likely to be placed in jeopardy. The notification must include detailed information about the nature of the problem, its cause, and its consequences. Such notification can be communicated verbally or in writing per the DOIT's discretion. Upon notification, the DOIT will take appropriate measures to support a timely and effective resolution of the situation.

- Ensure that the DOIT is provided with the information the DOIT deems necessary to meet its statutory oversight role and responsibilities. Failure to provide the necessary information, or information that is provided that is not responsive to needs, will result in direct and escalated DOIT measures such as evaluation and/or auditing of departmental oversight plans and activities in the manner and to the extent deemed necessary by the DOIT.

- Ensure that their project oversight efforts fully and consistently adhere to all applicable statutory, policy, planning, budgetary, approval and other relevant processes, conditions and requirements.

- Ensure that, upon request, the DOIT is provided with direct access to the independent project consultant(s) retained as a success partner by the department for an IT project.

- Ensure that, upon request, a department's independent project consultant(s) provides copies of assessment reports and/or other project documents to the DOIT at the same time the reports/documents are provided to the IT project's owner and/or manager.

- Plan for and fund all costs associated with successfully overseeing their IT projects. Such costs are to be objectively modeled through industry preferred techniques and included in all applicable project planning and budgeting documents including, but not necessarily limited to, Feasibility Study Reports (FSRs), Special Project Reports (SPRs), and Budget Change Proposals (BCPs).

- Reimburse the DOIT for all costs incurred in acquiring and/or rendering expanded oversight activities on departmental IT projects when the DOIT has determined that a higher, more intense level of project oversight is required. Reimbursements shall be made no later than sixty (60) calendar days from the issue date of a DOIT invoice for such services.

- Engage, as a routine project oversight practice, the services of an independent project consultant with knowledge, expertise and skills in efforts comparable in nature, scope and complexity to the IT project pursued by the department for the purpose of obtaining expert supplemental assistance in managing all of the activities that are critical to the project's success.

1.4   EVIDENCE OF COMPLIANCE

To verify compliance with this policy, the DOIT retains the right to request information concerning, and/or review in a manner and to an extend deemed appropriate and necessary, a department's project oversight plans and activities. In addition, the following documentation on specific IT projects must be made available to the DOIT upon request:

1. Project Management Plan;

2. DOIT Risk Assessment Model (RAM) Report and Risk Management Plan;

3. Project Oversight Plan;

4. Project Status Reports;

5. Independent Project Consultant Contract Agreement, if applicable;

6. Independent Project Consultant Reports, if applicable.

1.5   REPORTING CRITERIA

All reportable departmental IT project submitted to the DOIT for review and approval are subject to simultaneous oversight review by the DOIT. No other oversight reporting requirements are in effect except as specifically established by the DOIT for individual departments.